

FILED

FEB 22 2022

UNITED STATES DISTRICT COURT  
For the Northern District of Oklahoma

United States of America  
Plaintiff

v.

Ryan K. Jones and Tarah F. Jones  
Defendant

Mark C. McCartt, Clerk  
U.S. DISTRICT COURT

Civil Action No. 4:19-cv-00432-JED-JFJ

RESPONSE AND REQUEST TO DENY PLAINTIFF'S MOTION FOR SANCTIONS AND DEFAULT  
JUDGMENTS AGAINST DEFENDANTS RYAN JONES AND TARAH JONES

COMES now the defendants, Ryan Jones and Tarah Jones, pro se, and respectfully  
requests the court deny plaintiff's motion for sanctions and default judgments against  
defendants Ryan Jones and Tarah Jones for the following reasons:

1. Defendants have not acted in a willful manner if defendants have failed to comply with  
Rule 26(a)(1) in response to Plaintiff's discovery requests.
2. Defendants were not aware of the court order to file initial disclosures by December  
23<sup>rd</sup>, 2022 until Monday, February 14<sup>th</sup> when defendants received the Motion for  
Default judgment. Plaintiff sent said motion to the wrong address. Plaintiff should have  
already had Defendants new address based on previous court filings. Defendant has  
also now emailed Plaintiff the correct address for future correspondence as  
confirmation.
3. Defendants believe responses to plaintiff's discovery requests were properly sent on  
April 2<sup>nd</sup>, 2021. Defendants have been unaware of any further requests.
4. Defendant Ryan Jones' responses to plaintiff's discovery requests were not "frivolous",

☒ Mail ☐ No Cert Svc ☐ No Long Legn  
☐ C/J ☐ C/MJ ☐ C/Ret'd ☐ No Env  
☐ No Cpy's ☒ No Env/Cpy's ☐ O/J ☐ O/MJ

as plaintiff contends. For example, Interrogatory 1 states “If you contend IRS calculations were incorrect...”. Plaintiff is asking for defendant’s position on the question. Defendant gave an honest position. “Contend” is defined as “an assertion as a position in an argument”. Perhaps plaintiff did not like or agree with defendant’s assertion, but it remains Defendant’s assertion and is a valid response to the interrogatories.

5. One of the defendant Ryan Jones’ Answer to the original petition is that the statute of limitations for any assessments made for the years 1999, 2000, 2001, 2002 and 2003 expired on September 10<sup>th</sup>, 2018. Plaintiff filed the petition almost 11-months after the 10-year statute of limitations for collection expired. (See Addendum “A”). A default judgment against defendants under the circumstances would be a grievous injustice.
6. Defendants cannot presently afford to hire an attorney on this matter. The pandemic over the last two years has decimated Defendant Ryan Jones’ business and defendant is currently working 65 – 70 hours per week to keep the business running. Defendants are not voluntarily representing themselves. It is out of financial necessity.
7. Plaintiff is the wealthiest, most powerful entity the world has ever known, and has at it’s disposal virtually unlimited funds and resources to bring this action against its own citizens. Furthermore, multiple representatives for Plaintiff all have law degrees and multiple years of experience necessary for navigating complex and often confusing litigation rules. This is the definition of an unfair advantage. If the court grants Plaintiff’s motion for default judgment, it would be a grievous injustice against defendants considering the circumstances.

8. Plaintiff filed assessments against defendant Ryan Jones for the years 1999, 2000, 2001, 2002, and 2003. Plaintiff filed the assessments on September 10<sup>th</sup>, 2008. Plaintiff then had an additional 10 years to collect on the assessments involved in this litigation. Despite the unfathomable resources at Plaintiff's disposal to collect on assessments within the lawful time frame, plaintiff still missed the statute of limitations deadline by almost 11-months. A default judgment against defendants would be infinitely more detrimental to defendants than defendants unknowingly missing a disclosure date by 6-weeks is detrimental to Plaintiffs.
9. As of the date of this motion, defendants have also not received initial disclosure from plaintiff. For the foregoing reasons, defendants humbly request the court to deny plaintiff's Motion for Sanctions and Default Judgment, and are willing to comply with any of plaintiff's requests or required filings.

Dated February 18<sup>th</sup>, 2022

  
Defendant Ryan Jones

  
Defendant Tarah Jones

Addendum A attached.

cc: Julian Lee by email.

Ryan Jones was instructed by Court Clerk's office to send by mail and this motion was sent on February 18<sup>th</sup>, 2022 to the following:

Court Clerk of Northern District of Oklahoma  
333 West Fourth St., Room 411  
Tulsa, OK 74103

Department of the Treasury  
Internal Revenue Service  
1999 Broadway, 28th Floor  
9001-4021DFN  
Denver, CO 80202-3025

**CERTIFIED MAIL**

Date: OCT 2 2000

Ryan K. Jones  
4150 Stepien Court  
Colorado Springs CO 80906-1834

7006 2760 0002 2889 9211

Form Number  
1040  
Taxpayer identifying number  
458-29-2720  
Person to whom  
Marge Hutchinson  
Telephone number  
303-603-4503  
Employer identification number  
84-01474  
Refer Reply to  
9001-4021DFN  
Fast Way to File a Petition With the  
United States Tax Court

Tax Year Ended:	December 31, 1999	December 31, 2000	December 31, 2001
Deficiency:			
Increase in tax	\$41,144.00	\$15,900.00	\$151,686.00
<b>PENALTIES</b>			
IRC Sec. 6651(a)(1)	\$9,257.40	\$3,817.50	\$34,129.33
IRC Sec. 6651(a)(2)	See * below	See * below	See * below
IRC Sec. 6654	\$1,976.03	\$888.16	\$6,061.92

\* The amount of the addition to tax cannot be determined at this time, but an addition to tax of 0.5 percent will be imposed for each month, or fraction thereof, of nonpayment, up to 25 percent, based on the liability shown on this report.

Dear Ryan K. Jones:

**NOTICE OF DEFICIENCY**

We have determined that you owe additional tax or other amounts, or both, for the tax year(s) identified above. This letter is your NOTICE OF DEFICIENCY, as required by law. The enclosed statement shows how we figured the deficiency.

If you want to contest this determination in court before making any payment, you have 90 days from the date of this letter (150 days if this letter is addressed to you outside of the United States) to file a petition with the United States Tax Court for a redetermination of the deficiency. You can get a copy of the rules for filing a petition and a petition form you can use by writing to the address below.

United States Tax Court, 400 Second Street, NW, Washington, DC 20017

The Tax Court has a simplified procedure for small tax cases when the amount in dispute for each tax year is \$50,000 or less. If you intend to file a petition for multiple tax years and the amount in dispute for any one or more of the tax years exceeds \$50,000, this simplified procedure is not available to you. If you use this simplified procedure, you cannot appeal the Tax Court's decision. You can get information pertaining to the simplified procedure for small cases from the Tax Court by writing to the court at the above address or from the court's internet site at [www.ustaxcourt.gov](http://www.ustaxcourt.gov).

Letter 531-T (11-2007)  
Issuing Number 402226

Addendum A

Department of the Treasury  
Internal Revenue Service  
1995 Broadway, 28th Floor  
POD: 4011DEN  
Denver, CO 80202-3025

**CERTIFIED MAIL**

Date: FEB 6 2022

Ryan K. Jones  
1150 Gregory Court  
Colorado Springs CO 80906 4834

Form Number:  
1040  
Taxpayer Identifying Number:  
458-29-7770  
Person to Contact:  
Marge Hutchinson  
Telephone Number:  
303-003-4500  
Employee Identification Number:  
04-01474  
Refer Reply To:  
POD:4021DEN  
First Day to File a Petition with the  
United States Tax Court

Tax Year End:	December 31, 2000	December 31, 2001
Deficiency:		
Increase in tax:	\$49,133.00	\$27,061.00
<b>PENALTIES</b>		
IRC Sec. 6651(a)(1)	\$1,1078.95	\$4,620.20
IRC Sec. 6651(b)(2)	See "below"	See "below"
IRC Sec. 6652	\$1,045.57	\$533.50

\* The amount of the addition to tax cannot be determined at this time, but an addition to tax of 0.5 percent will be imposed for each month or fraction thereof of nonpayment up to 25 percent based on the liability shown on this report.

Dear Ryan K. Jones:

**NOTICE OF DEFICIENCY**

We have determined that you owe additional tax or other amounts, or both, for the tax years identified above. This letter is your NOTICE OF DEFICIENCY as required by law. The enclosed statement shows how we figured the deficiency.

If you want to contest this determination in court before making any payment, you have 90 days from the date of this letter (150 days if this letter is addressed to you outside of the United States) to file a petition with the United States Tax Court for a redetermination of the deficiency. You can get a copy of the rules for filing a petition and a petition form you can use by writing to the address below.

United States Tax Court, 400 Second Street, NW, Washington, DC 20217

The Tax Court has a simplified procedure for small tax cases when the amount in dispute for each tax year is \$50,000 or less. If you intend to file a petition for multiple tax years and the amount in dispute for any one or more of the tax years exceeds \$50,000, this simplified procedure is not available to you. If you use this simplified procedure, you cannot appeal the Tax Court's decision. You can get information pertaining to the simplified procedure for small cases from the Tax Court by writing to the court at the above address or from the court's internet site at [www.usptaxcourt.gov](http://www.usptaxcourt.gov).

Letter 531-T (11-2007)  
Amending Number 012274

<b>Form 4549-A</b> (Rev. March 2005)	Department of the Treasury - Internal Revenue Service <b>Income Tax Discrepancy Adjustments</b>		Page <u>6</u> of <u>6</u>
Name and Address of Taxpayer  Ryan K. Jones 1702 East Hampton Road Bartlesville, OK 74006	Taxpayer Identification Number 456-23-2722	Return Form No. 1040	
	Person with whom examination changes were discussed	Name and Title:	
<b>1. Adjustments to Income</b>	<b>Period End</b> 12/31/2010	<b>Period End</b> 12/31/2010	<b>Period End</b> 12/31/2010
a. Self-employment income	123,456.40	55,000.00	
b. IRA and Adjustments	1,000.00	1,000.00	
c. Standard Deduction	3,000.00	4,750.00	
d. Other adjustments	1,000.00	3,000.00	
e.			
f.			
g.			
h.			
i.			
j.			
k.			
l.			
m.			
n.			
o.			
p.			
<b>2. Total Adjustments</b>	128,456.40	63,750.00	
<b>3. Taxable Income Per Return or as Previously Adjusted</b>	123,456.40	123,456.40	
<b>4. Corrected Taxable Income</b>	125,985.00	125,985.00	
Tax Method	Married Separate	Married Separate	
Filing Status	Married Separate	Married Separate	
<b>5. Tax</b>	23,000.00	23,000.00	
<b>6. Additional Taxes / Alternative Minimum</b>			
<b>7. Corrected Tax Liability</b>	23,000.00	23,000.00	
<b>8. Less:</b>			
a. Credits			
b.			
c.			
d.			
<b>9. Balance (plus / less total of Lines 8a thru 8d)</b>	11,000.00	11,000.00	
<b>10. Plus:</b>			
a. Self-Employment Tax	24,000.00	24,000.00	
b. Other Taxes			
c.			
d.			
<b>11. Total Corrected Tax Liability (Line 9 plus Lines 10a thru 10d)</b>	49,243.00	49,243.00	
<b>12. Total Tax Shown on Return or as Previously Adjusted</b>	23,000.00	23,000.00	
<b>13. Adjustments to:</b>			
a.			
b.			
c.			
<b>14. Deficiency-Increase in Tax or (Overassessment - Decrease in Tax)</b> (Line 11 less Line 12 adjusted by Lines 13a thru 13d)	49,243.00	49,243.00	
<b>15. Adjustments to Prepayment Credits-Increase (Decrease)</b>			
<b>16. Balance Due or (Overpayment)</b> (Line 14 adjusted by Line 15) (Excluding interest and penalties)	49,243.00	49,243.00	



Form 4549-A  
Rev. March 2005Department of the Treasury Internal Revenue Service  
Income Tax Discrepancy Adjustments

Page 2 of 4

Name of Taxpayer  
JAMES E. BOWENTaxpayer Identification Number  
422-29-7000Return Form No.  
1041

## 47. Penalties Code Sections

Period End	Period End	Period End
12/31/00	12/31/01	12/31/02

a. Deceased 5501(a)(1)	0.00	0.00	0.00
b. Deceased 5502(a)(1)	0.00	0.00	0.00
c. Estimated Tax-100 (99)	0.00	0.00	0.00
d. Estimated Tax-100 (99)	0.00	0.00	0.00

## 48. Total Penalties

Period End	Period End	Period End
12/31/00	12/31/01	12/31/02

Underreport attributable to negligence (2136) 1207  
A tax liability of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed

Underreport attributable to fraud (2136) 1207

A tax liability of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed

Underreport attributable to Tax Motivated Transactions (TMT) Interest will accrue and be assessed at 120% of underpayment rate in accordance with IRC 6621(c)

## 49. Summary of Taxes, Penalties and Interest

a. Balance due on Overpayment Taxes - (Form 1041) 1207	0.00	0.00	0.00
b. Penalties (Line 15) - computed to 12/31/02	0.00	0.00	0.00
c. Interest (990) 5 (990) 5 - computed to 12/31/02	0.00	0.00	0.00
d. TMT Interest - computed to 12/31/02 (see TMT summary above)	0.00	0.00	0.00
e. Amount due or refund - (sum of lines a, b, and c)	0.00	0.00	0.00

## Other Information:

Examiner's Signature	Employee ID	Office	Date
James E. Bowen	60-00901	Denver, CO	03/10/2006

The Internal Revenue Service has agreements with state tax agencies under which information about federal tax, including increases or decreases, is exchanged with the states. If this change affects the amount of your state income tax, you should amend your state return by filing the necessary form.

You may be subject to backup withholding if you underreport your interest dividends, or patronage dividend income you earned and do not pay the required tax. The IRS may order backup withholding (withholding of a percentage of your dividend or interest payments), if the tax remains unpaid after it has been assessed and four notices have been issued to you over a 120-day period.

Catalog Number 23110T

www.irs.gov

Form 4549-A (Rev. 3-2005)

<b>Form 4549-A</b> (Rev. March 2005)	Department of the Treasury-Internal Revenue Service <b>Income Tax Discrepancy Adjustments</b>		Page <u>1</u> of <u>4</u>
Name and Address of Taxpayer  Evan K Jones 1732 East Hampton Road Bartlesville OK 74006	Taxpayer Identification Number 444-29-2720	Return Form No.: 1040	
	Person with whom examination changes were discussed	Name and Title:	
<b>1. Adjustments to Income</b>	<b>Period End</b> 12/31/2019	<b>Period End</b> 12/31/2020	<b>Period End</b> 12/31/2021
a. Sub 01 - Other Income	118,840.00	1,100.00	285,000.00
b. Net AGI Adjustment	5,000.00	1,000.00	10,000.00
c. Standard Deduction	5,000.00	5,000.00	5,000.00
d. Exemptions	1,000.00	2,000.00	
e.			
f.			
g.			
h.			
i.			
j.			
k.			
l.			
m.			
n.			
o.			
p.			
<b>2. Total Adjustments</b>	<b>129,840.00</b>	<b>41,000.00</b>	<b>310,000.00</b>
<b>3. Taxable Income For Return or as Previously Adjusted</b>		<b>1,000.00</b>	<b>1,000.00</b>
<b>4. Corrected Taxable Income</b>	<b>129,840.00</b>	<b>42,000.00</b>	<b>311,000.00</b>
Tax Method	Married Separate	Married Separate	Married Separate
Filing Status	Married Separate	Married Separate	Married Separate
<b>5. Tax</b>	<b>23,000.00</b>	<b>1,000.00</b>	<b>11,000.00</b>
<b>6. Additional Taxes / Alternative Minimum</b>			
<b>7. Corrected Tax Liability</b>	<b>23,000.00</b>	<b>1,000.00</b>	<b>11,000.00</b>
<b>8. Less:</b>			
a. Non-refundable Credits			100.00
b.			
c.			
d.			
<b>9. Balance (Line 7 less total of Lines 8a thru 8d)</b>	<b>23,000.00</b>	<b>1,000.00</b>	<b>11,000.00</b>
<b>10. Plus:</b>			
a. Self-Employment Tax	10,000.00	7,000.00	20,000.00
b.			
c.			
d.			
<b>11. Total Corrected Tax Liability (Line 9 plus Lines 10a thru 10d)</b>	<b>33,000.00</b>	<b>8,000.00</b>	<b>31,000.00</b>
<b>12. Total Tax Shown on Return or as Previously Adjusted</b>	<b>1,000.00</b>	<b>1,000.00</b>	<b>1,000.00</b>
<b>13. Adjustments to:</b>			
a.			
b.			
c.			
<b>14. Deficiency-Increase in Tax or (Overassessment - Decrease in Tax)</b> (Line 11 less Line 12 adjusted by Lines 13a thru 13d)	<b>32,000.00</b>	<b>7,000.00</b>	<b>30,000.00</b>
<b>15. Adjustments to Prepayment Credits-Increase (Decrease)</b>			
<b>16. Balance Due or (Overpayment) - (Line 14 adjusted by Line 15)</b> (Excluding interest and penalties)	<b>32,000.00</b>	<b>7,000.00</b>	<b>30,000.00</b>



<b>Form 4549-A</b> (Rev. March 2005)		<b>Department of the Treasury-Internal Revenue Service</b>		<b>Income Tax Discrepancy Adjustments</b>		Page <u>4</u> of <u>4</u>	
Name of Taxpayer John J. Jones				Taxpayer Identification Number 448-24-0000		Return Form No. 1040	
<b>17. Penalties/ Code Sections</b>				<b>Period End</b> 12/31/03	<b>Period End</b> 12/31/04	<b>Period End</b> 12/31/05	
a. Self-EMP. SECA 1401				12,310.00	12,310.00		
b. Self-EMP. SECA 1402				12,310.00	12,310.00		
c. Estimated Tax IRC 6654				1,510.00	1,510.00		
d.							
e.							
f.							
g.							
h.							
i.							
j.							
k.							
l.							
m.							
n.							
<b>18. Total Penalties</b>				<b>13,820.00</b>	<b>13,820.00</b>		
Underreporter attributable to negligence (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.							
Underreporter attributable to fraud (1981-1987) A tax addition of 50 percent of the interest due on the underpayment will accrue until it is paid or assessed.							
Underreporter attributable to Tax Motivated Transactions (TMT) Interest will accrue and be assessed at 120% of underpayment rate in accordance with IRC 6621(c).					1,000		
<b>19. Summary of Taxes, Penalties and Interest:</b>							
a. Balance due or (Overpayment) Taxes - (Line 10, Page 4)				41,040.00	41,040.00		
b. Penalties (Line 15) - computed to 09/10/2005				13,820.00	13,820.00		
c. Interest (IRC § 6601) - computed to 09/10/2005				23,380.00	23,380.00		
d. TMT Interest - computed to 12/31/2005 (on TMT underpayment)				1,000	1,000		
e. Amount due or refund - (sum of Lines a, b, c and d)				79,240.00	79,240.00		

Other Information:

Examiner Signature Name <u>Ronald E. Burchett</u>	Employee ID 64-00904	Office Denver, CO	Date 09/10/2005
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The Internal Revenue Service has agreements with state tax agencies under which information about federal tax, including increases or decreases, is exchanged with the states. If this change affects the amount of your state income tax, you should amend your state return by filing the necessary forms.

You may be subject to backup withholding if you underreport your interest, dividend, or annuity dividend income you earned and do not pay the required tax. The IRS may order backup withholding (withholding of a percentage of your dividend and/or interest payments) if the tax remains unpaid after it has been assessed and four notices have been issued to you over a 120-day period.

Please File.

I don't need a copy.

Thanks

Ryan Jones

918-853-3700

Ryan Jones  
P.O. Box 171  
Bartlesville, OK 74003

U.S. POSTAGE PAID  
FOVLLGKXW  
BARTLESVILLE, OK  
FEB 19, 22  
AMOUNT  
**\$1.56**  
R2303S100966-05



1021

74103

Postmark 2-19-22 BB  
19cv432-JD-JFJ

Court, Clerk of Northern  
District of Oklahoma  
333 W. Fourth St.  
Room 411  
Tulsa, OK 74103

RECEIVED

FEB 22 2022

Mark C. McCullum, Clerk  
U.S. DISTRICT COURT

